

complaint

Mr H is complaining that The Prudential Assurance Company Limited (Prudential) won't allow him to cash in his annuity.

background

In 2016, Mr H contacted Prudential to cash in his annuity under legislation which allowed consumers to cash in annuities worth less than £10,000. But Prudential said that it doesn't allow its customers to do so.

Mr H said that this was unfair because he thought it was the government's intention with the legislation to allow customers to decide whether to cash in the annuity or not. So he says Prudential shouldn't be allowed to say he can't do so. He also says that Spanish law, where he currently lives, allows him to cash it in. Finally he says that many other companies allow people to cash in their annuities, so it's unfair Prudential doesn't.

Our investigator didn't uphold the complaint. She said that this service doesn't regulate the financial industry. And she didn't think Prudential had acted incorrectly in line with the recent legislation changes. Mr H still thought Prudential was acting unfairly and asked for an ombudsman to review the complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

This service doesn't regulate the industry. So I can't look at whether the legislation is fair or what the government's intentions were behind it. I can only look at whether Prudential has applied the terms of his policy and the law correctly. And I think it has.

The legislation Mr H refers to allowed customers to look to cash in their annuities if they were worth less than £10,000. But the government also said that the provider didn't have to allow this to happen. Prudential has told Mr H and us that it doesn't allow this. And I can't say that this is unfair. I note Mr H says that Spanish law allows him to cash the annuity in. But, I don't think this means Prudential has acted unfairly.

I don't dispute that some other providers allow their customer to cash in their annuities. But I can't say that Prudential has done anything wrong in not allowing Mr H to do so.

my final decision

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 July 2017.

Guy Mitchell
ombudsman